

Joint 8th APEC Coal Flow Seminar and 9th APEC Clean Fossil Energy Technical Seminar

USA Official Welcome

Scott M. Smouse
Chair, APEC Expert Group on Clean Fossil Energy
Senior Management & Technical Advisor – International
U.S. Department of Energy
National Energy Technology Laboratory

Good Morning. My name is Scott Smouse. I am the new Chair of the APEC Expert Group on Clean Fossil Energy, which has organized this event.

I would like to extend a warm welcome to all of the participants in the Coal Flow and the Clean Fossil Energy Technical Seminar, and the TILF Workshop. We were honored this morning to hear from the Honorable Leo Moggie, the Minister of Energy, Communications and Multimedia for Malaysia about the opportunities and challenges that Malaysia faces in developing its coal and power sectors.

I would like thank all of you for being here after postponement of this event from last October. Your patience and support are greatly appreciated.

First a few words about myself as I have yet to meet many of you. For the last six years, I have managed the International Program at the U.S. Department of Energy's National Energy Technology Laboratory or NETL. NETL is responsible for managing the U.S. national fossil energy R&D program in coal, oil, and natural gas. Although I have been only recently become active in the Expert Group, I have been involved in other activities in many of APEC economies in the past.

A week ago, I was expecting to be standing here this morning beside Dr. Sun Chun and being introduced as the new Chair of the Expert Group. Unfortunately, as some of you may have heard, Dr. Chun can't be here with us this week. However, I would take this opportunity to personally thank Dr. Chun for his determination and excellent leadership of the Expert Group for the past four years. Under Dr. Chun's tenure, not only did he convene several successful workshops and seminars like this one, he also completed several important studies and projects. He also expanded the mission of the Expert Group from its original Clean Coal Technology emphasis to include all fossil fuels by adding an Oil and Gas Program along side the existing Coal Technology and Coal Policy Programs, thereby creating the current Expert Group on Clean Fossil Energy.

I can only hope to begin to fill Dr. Chun's shoes, as we in America would say. Dr. Chun will continue to provide leadership for the APEC Energy Security Initiative, which has been recognized by the APEC Leaders as important activity. He also plans to be with us at the next joint seminar, which will be held in China this fall.

I also would like to take a moment to thank Mr. Ken Hong, who served as the Expert Group's Secretariat under Dr. Chun for the past four years. Ken has retired from government service and is now spending more time with his family. At this time, I would like to introduce Mrs. Susan Laczko, as the new Secretariat for the Expert Group. Sue has extensive international experience and will serve us well in that capacity.

I thank the members of the Project Steering Committee for their hard work in organizing this event. Also, I would like to especially extend my thanks to the hosts for these meetings, the Malaysian Ministry of Energy, Communications and Multimedia, and TNB Fuel Services. They have selected an excellent facility for this event and put together what looks to be interesting program and power plant site visits on Wednesday. I would also like to acknowledge the financial and administrative support provided by the Malaysian and Japanese governments in organizing this event.

It is with great pleasure that I take on the position of Chair of the Expert Group. I hope this week is a productive one for each of you. I look forward to talking to many of you on a one-to-one basis throughout the week and getting to know you personally.

Before I conclude, I would like to say a few words about the coal situation in the United States. While coal is recognized as the low-cost fuel for electricity generation around the world, not only in coal-producing economies, like China, Indonesia, and United States, but also in coal-importing economies, such as Japan, Korea, and Chinese Taipei. Coal is at the center of the strength of many of our economies and is the fuel of choice upon which our industries operate. The use of coal increases energy security through fuel diversification. There is no other fuel so widely distributed around the world and reliably available at steady prices from so many suppliers. This fact has been recognized in the new National Energy Policy put forth by the U.S. Administration and I will speak more about this tomorrow.

However, coal is not without its problems. For decades, coal's principal problem was emission of sulfur dioxide and nitrogen oxides, which cause acid rain. The United States and other developed countries have greatly reduced this problem by developing and then deploying SO₂ scrubbers and low-NO_x burner technologies. More recently, issues, such as mercury and fine particulate emissions, have become a concern in the United States and other countries. And now, as we all know, the biggest threat to continued use of coal worldwide is climate change.

Over the past decade, the United States has built very few new coal-fired power plants. However, U.S. Energy Information Administration projects that the United States will need to construct at least 62 new coal plants representing over 31 GW of new capacity by 2020 to meet future electricity demand. While these additions are small compared to the amount of total new capacity that the United States is expected to build over that time period, which is nearly 350 GW; the current situation is being considered by many to be the rebirth of coal in the United States.

While it is uncertain how many of these new plants will use the new Clean Coal Technologies, such as Integrated Gasification Combined Cycle (IGCC) or supercritical pulverized-coal technology, certainly the new plants will have to be cleaner and more efficient than the current fleet of power stations.

It is through open exchange of information and ideas, through meetings such as this, that issues, such as climate change, can be discussed and debated. The public's health must be protected while providing at the same time recognizing that low-cost electricity is needed to keep our economies vibrant. The Expert Group on Clean Fossil Energy seeks to assist APEC member economies in the economic development of their fossil energy sectors while being a good steward of the environment.

I look forward to hearing from all speakers this week to learn the latest information on the technological and policy approaches that they are pursuing to allow the continued use of coal in the APEC region and as a pillar for sustainable development around the world in the 21st century, which is the theme of this workshop.

THANK YOU.